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Memorandum

TO: BATA Oversight Committee

DATE: February 5, 2014

FR: General Counsel

W. I. 1254

RE: Contract -- Bond Counsel and Public Finance Counsel: Orrick, Herrington & Sutcliffe LLP

The Bay Area Toll Authority's (BATA) current five-year contract with its bond and public finance counsel, Orrick, Herrington & Sutcliffe LLP ("Orrick"), expires on February 28, 2014.

To that end, staff issued a Request for Qualifications (RFQ) in November 2013 in order to solicit Statements of Qualifications (SOQ) for providing BATA, MTC, and their related agencies (BAIFA, BAHA, and MTC SAFE) with legal services in the field of public finance and to serve as bond counsel. The qualifications that we looked for included previous experience in serving as bond counsel or public finance counsel for public agencies, and specifically, the qualifications of the particular attorneys to be assigned, and references.

We received three responsive SOQs, and interviewed two of the firms, Orrick and Nixon Peabody LLP, on Wednesday, January 15, 2014. We were pleased with the quality of both of the firms we interviewed. However, among the two firms, Orrick, our current Finance/Bond Counsel, continues to offer the best combination of skills and efficiencies for BATA's anticipated needs for legal support in the area of public finance and as bond counsel. We have been happy with Orrick's overall performance, and we therefore recommend retaining the law firm for another term.

The contract is for up to five years, subject to yearly reviews. The cost of the services of bond counsel will generally be paid for out of the proceeds from each financial issuance or transaction. The budget for this contract will therefore be determined by the size of any financial transaction, and the number of financial transactions over the next five years. In addition, \$200,000 is budgeted annually for general financial legal services. This represents an increase of \$100,000 per fiscal year from the current contract which was approved five years ago.

We request the Committee's approval to authorize the Executive Director or his designee to negotiate and enter into a contract with Orrick, Herrington & Sutcliffe LLP for financial legal services as described in this memorandum and in the attached Summary of Proposed Contract. Should staff be unable to enter into a contract with Orrick, then we request the Committee's approval to negotiate and enter into a contract with Nixon Peabody LLP.


Adrienne D. Weil

REQUEST FOR COMMITTEE APPROVAL
Summary of Proposed Contract

Work Item No.: 1254

Consultant: Orrick, Herrington and Sutcliffe LLP or, should staff be unable to enter into a contract with Orrick, Herrington and Sutcliffe LLP, Nixon Peabody LLP

Work Project Title: Bond Counsel and Public Finance Counsel

Purpose of Project: To provide bond counsel support for debt-related financings necessary for projects funded by bridge tolls, and to provide general finance counsel advice.

Brief Scope of Work: Assist Office of the General Counsel in providing legal services in the area of public finance and to serve as lead bond counsel.

Project Cost Not to Exceed: General financial legal services not paid from costs of issuance in finance transactions not to exceed \$200,000 annually.
Bond Counsel transactional fees to be determined per financial transaction.

Funding Source: Bridge Tolls

Fiscal Impact: Funds are included in the FY 2014-15 budget

Motion by Committee: That the Executive Director or his designee is authorized to negotiate and enter into a contract with the law firm of Orrick, Herrington and Sutcliffe LLP to provide legal services as described above and in the Executive Director's memorandum dated February 5, 2014, and that the Chief Financial Officer is authorized to set aside funds in the amount authorized for such contract.

Should staff be unable to enter into a contract with Orrick, Herrington and Sutcliffe LLP, the Executive Director or his designee is authorized to negotiate and enter into a contract with the law firm of Nixon Peabody LLP to provide legal services as described above and in the Executive Director's memorandum dated February 5, 2014, and the Chief Financial Officer is authorized to set aside funds in the amount authorized for such contract.

BATA Oversight Committee:

Bill Dodd, Chair

Approved:

Date: February 12, 2014